

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

In Re: **Francis M. Machi, Jr. A/K/A,** **Bankruptcy No. 14-23154-CMB**
Frank M. Machi, Jr, **Chapter 11**
Debtor. **Document No.**

DISCLOSURE STATEMENT
TO ACCOMPANY PLAN DATED SEPTEMBER 11, 2017

☐ Chapter 11 Small Business (Check box only if debtor has elected to be considered a small business under 11 U.S.C. § 101(51D))

Debtor furnishes this disclosure statement to creditors in the above-captioned matter pursuant to Bankruptcy Code §1125 to assist them in evaluating debtor's proposed Chapter 11 plan, a copy of which is attached hereto. Creditors may vote for or against the plan of reorganization. Creditors who wish to vote must complete their ballots and return them to the following address before the deadline noted in the order approving the disclosure statement and fixing time. The Court will schedule a hearing on the plan pursuant to 11 U.S.C. §1129.

Address for return of ballots:

Jeffrey J. Sikirica, Esquire
Blumling & Gusky, LLP
436 7th Avenue
1200 Koppers Building
Pittsburgh, PA 15219

I. Background

1. Name of Debtor

Francis M. Machi, Jr.

2. Type of Debtor (individual, partnership, corporation)

Individual

3. Debtor's Business or Employment

Francis M. Machi, Jr. owns commercial and residential rental properties and operates a business renting the units. The Debtor also operates a construction company under a fictitious name, F.M. Machi Construction, and is employed by Keller Williams as a real estate agent.

4. Date of Chapter 11 Petition

September 11, 2017

5. Events that Caused the Filing:

The Debtor fell behind on payments to secured creditors due to an inordinate amount of vacancies in his rental units. During this time, the construction and real estate sales market was also depressed and the Debtors income was low from these sources. The Debtor was sued by one of the secured lenders and a property was set for sheriff sale by the lender. The Debtors filed this case to stop the sheriff sale and provide him with an opportunity to reorganize his debts.

6. Anticipated Future of the Company & Source of this Information and Opinion

The Debtor plans to modify his secured debt and continue to sell certain real estate which will decrease his monthly obligations and pay off certain obligations. He will pay real estate tax claims over a term of five years. The Debtor believes that with modification of the secured debt and sale of additional real estate he will have sufficient income to reorganize.

7. Summarize all Significant Features of the Plan Including When and How Each Class of Creditor Will Be Paid and What, If Any, Liens Will Be Retained By Secured Creditors or Granted to Any Creditor Under the Plan

- (A) **Class 1, Administrative Claims**, will be paid in full on the Plan Effective Date or as parties agree.
- (B) **Class 2 – Executory Contracts**. The Class 2 **Executory Contracts** with the residential tenants in the investment properties owned by the Debtor. The residential leases will be assumed by the Debtor under this Plan. Any obligation of the Debtor regarding security deposits will not be modified by the Plan.
- (C) **Class 3 – Select Portfolio Servicing, Inc.** The Class 3 claim of **Select Portfolio Servicing, Inc.** as servicer for Wells Fargo Bank, N.A., as Trustee for the certificate holders of Asset-Backed- Pass-Through Certificates, Series 2005-WCW3 for the first mortgage that they hold on **3823 Mintwood St, Pittsburgh, Pennsylvania 15224**. It shall be paid in accordance with the original loan agreement between the Debtors and this class. This class filed a Proof of Claim that this loan was current and the Debtor has continued to make payments for each month during this Chapter 11 case. In the event that there are any arrearage on this obligation, this class shall file an amended Proof of Claim listing the amount of the arrearage. The Debtor will cure any arrearage over sixty months with the arrearage payments beginning on the Plan Effective Date. Confirmation of this Plan shall be an adjudication that this loan is current, in the event that the Proof of Claim is not amended to show the arrearage on this account.
- (D) **Class 4 - Specialized Loan Servicing LLC as servicer for U.S. Bank National Association**. The Class 4 claim of **Specialized Loan Servicing LLC as servicer for U.S. Bank National Association**, as Trustee for Terwin Mortgage Trust 2005-10HE, Asset-Backed Certificates, Series 2005-10HE will be modified under this plan. They hold a mortgage on **3825 Mintwood St, Pittsburgh, Pennsylvania 15224**. The Debtor believes that this class was owed \$92,598.71 at the time of filing. The adequate protection payments of \$644.25 will continue to this Class 4 lien until the Debtor refinances his loan with his current mortgage holder or another financial institution. Refinancing shall be completed within 9 months of confirmation of the plan.

- (E) **Class 5 – Erin P. Dyer, individually, Dyer Law Firm, P.C. and 6350 Waldron Street, LLC (the “Dyer Group”).** The Class 5 claims of **Erin P. Dyer, individually, Dyer Law Firm, P.C. and 6350 Waldron Street, LLC (the “Dyer Group”)** have been satisfied pursuant to a Settlement Tem Sheet dated March 20, 2017 and approved by Order of Court with addition provision dated July 28, 2017 and closing on said settlement on September 7, 2017. The Dyer Group had claims and is the holder of a first mortgage on 4605 Carlton Street, Pittsburgh PA 15201 and a Mortgage on 5164 Butler Street, Pittsburgh, PA 15201. No additional payments are to be made to Class 5 claims.
- (F) **Class 6 – Select Portfolio Servicing, Inc.** The Class 6 claim of **Select Portfolio Servicing, Inc. as servicer for DLJ Mortgage Capital, Inc.** This claim will be modified by the Debtor’s Plan as the Debtor will pay the lump sum of Five Thousand Dollars (\$5,000.00) as satisfaction in full of this claim. Class 6 claimants are the holder of a first mortgage on **357 Cool Springs Street, Uniontown, PA 15401.**
- (G) **Class 7 – OCWEN Loan Servicing.** The Class 7 claim of **OCWEN Loan Servicing** has been satisfied and paid in full upon the closing of the sale of 5216 Natrona Way, Pittsburgh, PA 15201 on January 9, 2017. It was the holder of a first mortgage on 5216 Natrona Way, Pittsburgh, PA 15201. No additional payments are to be made to the Class 7 claim.
- (H) **Class 8 – OCWEN Loan Servicing.** The Class 8 claim of **OCWEN Loan Servicing** has been satisfied and paid in full upon the closing of the sale of 3810 Howley Street, Pittsburgh, PA 15201 on January 13, 2017. It was the holder of a first mortgage on 3810 Howley Street, Pittsburgh, PA 15201. No additional payments are to be made to the Class 8 claim.
- (I) **Class 9 - Jennifer Mariani.** The Class 9 claim of **Jennifer Mariani** has been satisfied and paid in full upon the closing of the sale of 4308 Main Street, Pittsburgh, PA 15224 on November 10, 2016. She was the holder of a land installment contract in the nature of a mortgage on 4308 Main Street, Pittsburgh, PA 15224. No additional payments are to be made to the Class 9 claim.
- (J) **Class 10 – Mark Machi.** The Class 10 claim of **Mark A. Machi** will be paid the sum of \$16,000.00 calculated over 8 years at 3% post-confirmation fixed interest in equal monthly payments. When the property at 5164 Butler Street is sold, Mark A. Machi will be paid his remaining balance in lieu of continued monthly payments. This payment is pursuant to a Court approved Settlement Agreement on March 9, 2016.
- (K) **Class 11 – City of Pittsburgh.** The Class 11 claim of the City of Pittsburgh consists of a request for an In Rem Judgement Lien against 5164 Butler Street, Pittsburgh, PA to recover costs for the demolition of an office building on the property in the amount of \$28,000.00 filed on June 4, 2008. In additional a complaint was filed for a judgment against the Debtor individually. This claim is disputed as it appears no further action or orders were entered after the filing. To the extent any portion of the claim is determined to be valid it will be paid upon the sale of 5614 Butler Street.
- (L) **Class 12 – Secured & Priority Tax Claims.** The secured/priority creditors will be paid over five (5) years with 6% post confirmation interest.
- (M) **Class 13 – Real Estate Taxes.** The real estate taxes will be paid over five (5) years with 6% post confirmation interest.
- (N) **Class 14 – Debtor’s Exemption Rights.** The Debtor’s exemption rights will be retained but impaired.

(O) Class 15 - General Unsecured Creditors. The allowed General Unsecured Creditors of Francis M. Machi, Jr. will be paid 100% over five (5) years following the Plan Effective Date. Payments shall be made on an annual basis pro-rata to each creditor's claim. This class shall not be entitled to interest on their claims.

8. Are All Monthly Operating Statements Current and on File With The Clerk of Court?
Yes X No

If Not, Explain:

9. Does the plan provided for releases of non-debtor parties? Specify which parties and terms of release.

No.

10. Identify all executory contracts that are to be assumed or assumed and assigned.

The Debtor will assume all leases with the current tenants.

11. Has a bar date been set? Yes X No
(If not, a motion to set the bar date has been filed simultaneously with the filing of this disclosure statement.)

12. Specify property that will be transferred subject to 11 U.S.C. §1146(a).

II. Creditors

A. Secured Claims

SECURED CLAIMS

Creditor	Total Amount Owed	Arrearages	Type of Collateral Priority of Lien (1, 2, 3)	Disputed (D) Liquidated (L) Unliquidated (U)	Will Liens Be Retained Under the Plan? (Y) or (N)
Select Portfolio Servicing, Inc. as servicer for Wells Fargo Bank, N.A., as Trustee for the certificate holders of Asset-Backed- Pass-Through Certificates, Series 2005-WCW3	\$92,227.64	None per POC #8	First Mortgage on 3823 Mintwood Street, Pittsburgh, PA 15201		Yes
Specialized Loan Servicing LLC as servicer for U.S. Bank National Association, as Trustee for Terwin Mortgage Trust 2005-10HE, Asset-Backed Certificates, Series 2005-10HE; POC #5	\$92,598.71	Will be modified by Plan	First Mortgage on 3825 Mintwood Street, Pittsburgh, PA 15224		Yes, as per modification
Select Portfolio Servicing, Inc. as servicer for DLJ Mortgage Capital, Inc.; POC #9 & 14	\$31,319.30	Will be modified by Plan	First Mortgage on 357 Cool Springs Street, Uniontown, PA 15401		Yes, as per modification

Mark Machi As modified per settlement agreement	\$16,000.00		First Mortgage of 4735 Liberty Avenue, Pittsburgh, PA 15224 and 5164 Butler Street, Pittsburgh, PA 15201		Yes, as per modification
Erin P. Dyer, individually, Dyer Law Firm P.C. and 6350 Waldron Street, LLC	\$ 0.00		Paid per settlement agreement		
OCWEN Loan Servicing POC #12	\$ 0.00		Paid per sale of 5216 Natrona Way, Pittsburgh, PA 15201		
OCWEN Loan Servicing	\$ 0.00		Paid per sale of 3810 Howley Street, Pittsburgh, PA 15201		
Jennifer Mariani	\$ 0.00		Paid per sale of 4308 Main Street, Pittsburgh, PA 15224		
TOTAL	\$232,145.65	\$			

B. Priority Claims

PRIORITY CLAIMS

Creditor	Total Amount Owed	Type of Collateral	(D) (L) (U) *
PA Department of Revenue POC No. 1-1	\$662.82		
Internal Revenue Service – POC No. 10-2	\$ 0.00		
TOTAL	\$662.82		

* Disputed (D), Liquidated (L), or Unliquidated (U)

C. Unsecured Claims

1.	Amount Debtor Scheduled (Disputed and Undisputed)	\$
2.	Amount of Unscheduled Unsecured Claims ¹	\$
3.	Total Claims Scheduled or Filed	\$ 1,731.50
4.	Amount Debtor Disputes	\$
5.	Estimated Allowable Unsecured Claims	\$ 1,731.50

D. Other Classes of Creditors

¹ Includes (a.) unsecured claims filed by unscheduled creditors; (b.) that portion of any unsecured claim filed by a scheduled creditor that exceeds the amount debtor scheduled; and (c.) any unsecured portion of any secured debt not previously scheduled.

- | | | |
|----|---|----|
| 1. | Amount Debtor Scheduled (Disputed and Undisputed) | \$ |
| 2. | Amount of Unscheduled Claims ¹ | \$ |
| 3. | Total Claims Scheduled or Filed | \$ |
| 4. | Amount Debtor Disputes | \$ |
| 5. | Estimated Allowable Claims | \$ |

E. Other Classes of Interest Holders

- | | | |
|----|---|----|
| 1. | Amount Debtor Scheduled (Disputed and Undisputed) | \$ |
| 2. | Amount of Unscheduled Claims ¹ | \$ |
| 3. | Total Claims Scheduled or Filed | \$ |
| 4. | Amount Debtor Disputes | \$ |
| 5. | Estimated Allowable Claims | \$ |

III. Assets

ASSETS

Assets	Value	Basis for Value Priority of Lien	Name of Lien Holder (if any) (Fair Market Value/ Book Value)	Amount of Debtor's Equity (Value Minus Liens)
3825 Mintwood Street Pittsburgh, PA 15201 ID: 49-P-138-A	\$ 150,000.00	Debtor's Evaluation	Specialized Loan Servicing	\$ 73,783.00
3823 Mintwood Street, Pittsburgh, PA 15201 ID: 49-P-137	\$ 165,000.00	Debtor's Evaluation	Select Portfolio Servicing, Inc.	\$ 90,000.00

3819 Mintwood Street Pittsburgh, PA 15201 ID: 49-P-140 ½ vacant lot	\$ 2,100.00	2016 County Assessment		\$ 2,100.00
357 Coolspring Street Uniontown, PA 15401 ID: 38-18-0042	\$ 60,000.00	Debtor's Evaluation	Select Portfolio Servicing, Inc.	\$ 29,344.00
353 Coolspring Street Uniontown, PA 15401 ID: 38-18-41	\$ 2,000.00	Debtor's Evaluation		\$ 2,000.00
249 Cobalt Way Pittsburgh, PA 15201 ID: 49-J-181	\$ 25,000.00	Debtor's Evaluation		\$ 25,000.00
5164 Butler Street aka 5171 Dresden Way Pittsburgh, PA 15201	\$ 200,000.00	Debtor's Evaluation	Mark Machi City of Pittsburgh (disputed)	\$ 144,000.00
Cash in Debtor's Possession	\$ 20.00	Actual Value		\$ 20.00
Checking account, PNC#7895	\$ 100.00	Actual Value		\$ 100.00
Trustee Account x4530	\$ 75,182.93	Actual Value		\$ 75,182.93
Miscellaneous household furnishings	\$ 1,000.00	Debtor's Opinion		\$ 1,000.00
Miscellaneous tools,	\$ 1,000.00	Debtor's Opinion		\$ 1,000.00
Various reading materials, decorative items and wall hangings;	\$ 1,000.00	Debtor's Opinion		\$ 1,000.00
clothing	\$ 250.00	Debtor's Opinion		\$ 250.00
Stock in CalMac Studios	\$ 1,000.00	Debtor's Opinion		\$ 1,000.00
FM Machi Construction	\$ 1,000.00	Debtor's Opinion		\$ 1,000.00

2004 Mercedes Benz E 320	\$ 8,500.00	Debtor's Opinion		\$ 8,500.00
1994 Chevrolet S10	\$ 900.00	Debtor's Opinion		\$ 900.00
1994 Harley Davidson Sportster 1200	\$ 2,500.00	Debtor's Opinion		\$ 2,500.00
2 Electric ell, metal brake, 4 ladders, 4 drills, 2 saws	\$ 2,500.00	Debtor's Opinion		\$ 2,500.00
Inventory	\$ 500.00	Debtor's Opinion		\$ 500.00
1996 Airstream Travel Trailer	\$ 4,000.00	NADA		\$ 4,000.00
	\$ 703,552.93			\$ 465,679.93
	TOTAL			TOTAL

1. Are any assets which appear on Schedule A or B of the bankruptcy petition not listed above?

If so, identify asset and explain why asset is not in estate:

5216 Natrona Way, Pittsburgh, PA 15202 – ID: 80-D-162-A, property has been liquidated.

3810 Howley Street, Pittsburgh, PA 15201 – ID: 49-P-298, property has been liquidated.

4308 Main Street, Pittsburgh, PA 15224 – ID: 49-R-185, property has been liquidated.

4605 Carlton Street, Pittsburgh, PA - ID: 49-C-216, property has been liquidated.

2. Are any assets listed above claimed as exempt? If so attach a copy of Schedule C and any amendments.

IV. SUMMARY OF PLAN

1. Effective Date of Plan: December, 2017

2. Will cramdown be sought? X Yes No

If Yes, state bar date: The Hearing date for the Confirmation of the Plan

3. Treatment of Secured **Non-Tax** Claims

SECURED NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Select Portfolio Servicing, Inc. as servicer for Wells Fargo Bank, N.A., as Trustee for the certificate holders of Asset-Backed- Pass-Through Certificates, Series 2005-WCW3	3	\$92,227.64	The Class 3 claim of Select Portfolio Servicing, Inc. as servicer for Wells Fargo Bank, N.A., as Trustee for the certificate holders of Asset-Backed- Pass-Through Certificates, Series 2005-WCW3 for the first mortgage that they hold on 3823 Mintwood St, Pittsburgh, Pennsylvania 15224 . It shall be paid in accordance with the original loan agreement between the Debtors and this class. This class filed a Proof of Claim that this loan was current and the Debtor has continued to make payments for each month during this Chapter 11 case. In the event that there are any arrears on this obligation, this class shall file an amended Proof of Claim listing the amount of the arrearage. The Debtor will cure any arrearage over sixty months with the arrearage payments beginning on the Plan Effective Date. Confirmation of this Plan shall be an adjudication that this loan is current, in the event that the Proof of Claim is not amended to show the arrearage on this account.

Specialized Loan Servicing LLC as servicer for U.S. Bank National Association, as Trustee for Terwin Mortgage Trust 2005-10HE, Asset-Backed Certificates, Series 2005-10HE	4	\$92,598.71	The Class 4 claim of Specialized Loan Servicing LLC as servicer for U.S. Bank National Association , as Trustee for Terwin Mortgage Trust 2005-10HE, Asset-Backed Certificates, Series 2005-10HE will be modified under this plan. They hold a mortgage on 3825 Mintwood St, Pittsburgh, Pennsylvania 15224 . The Debtor believes that this class was owed \$92,598.71 at the time of filing. The adequate protection payments of \$644.25 will continue to this Class 4 lien until the Debtor refinances his loan with his current mortgage holder or another financial institution. Refinancing shall be completed within 9 months of confirmation of the plan.
Select Portfolio Servicing, Inc. as servicer for DLJ Mortgage Capital, Inc.	6	\$31,329.30	The Class 6 claim of Select Portfolio Servicing, Inc. as servicer for DLJ Mortgage Capital, Inc. This claim will be modified by the Debtor's Plan as the Debtor will pay the lump sum of Five Thousand Dollars (\$5,000.00) as satisfaction in full of this claim. Class 6 claimants are the holder of a first mortgage on 357 Cool Springs Street, Uniontown, PA 15401 .
Mark Machi	10	\$16,000.00	The Class 10 claim of Mark A. Machi will be paid the sum of \$16,000.00 calculated over 8 years at 6% post-confirmation fixed interest in equal monthly payments. When the property at 5164 Butler Street is sold, Mark A. Machi will be paid his remaining balance in lieu of continued monthly payments. This payment is pursuant to a Court approved Settlement Agreement on March 9, 2016.

City of Pittsburgh	11	\$28,000.00	DISPUTED. The Class 11 claim of the City of Pittsburgh consists of a request for an In Rem Judgement Lien against 5164 Butler Street, Pittsburgh, PA to recover costs for the demolition of an office building on the property in the amount of \$28,000.00 filed on June 4, 2008. In addition a complaint was filed for a judgment against the Debtor individually. This claim is disputed as it appears no further action or orders were entered after the filing. To the extent any portion of the claim is determined to be valid it will be paid upon the sale of 5614 Butler Street.
TOTAL		\$260,155.70	

4. Treatment of Secured Tax Claims

SECURED TAX CLAIMS

Name of Creditor	Class	Amount Owed	Summary of Proposed Treatment
Allegheny County	13	\$ 6,355.11	The real estate taxes will be paid over five (5) years with 6% post confirmation interest.
City & School District of Pittsburgh	13	\$18,615.42	The real estate taxes will be paid over five (5) years with 6% post confirmation interest.
TOTAL		\$24,970.53	

5. Treatment of Administrative **Non-Tax** Claims²

² Include all §503(b) administrative claims.

ADMINISTRATIVE NON-TAX CLAIMS

Name of Creditor*	Amount Owed	Type of Debt**	Summary of Proposed Treatment and Date of First Payment
Calaiaro Valencik	\$66,266.20	Attorney for Debtor Fees	To be paid in full on the Plan Effective Date or as parties agree.
Barnes Corporation Estimated	\$ 4,500.00	Accountant for Debtor Fees	To be paid in full on the Plan Effective Date or as parties agree.
Jeffrey J. Sikirica Estimated	\$ 20,000.00	Trustee Fees	To be paid in full on the Plan Effective Date or as parties agree.
Blumling & Gusky Estimated	\$ 45,000.00	Attorney for Trustee Fees	To be paid in full on the Plan Effective Date or as parties agree.
TOTAL	\$135,766.20		

6. Treatment of Administrative Tax Claims

ADMINISTRATIVE TAX CLAIMS

Name of Creditor*	Amount Owed	Type of Debt**	Summary of Proposed Treatment and Date of First Payment
NONE			

* Identify and Use Separate Line for Each Professional and Estimated Amount of Payment

** Type of Debt (P=Professional, TD=Trade, TX=Taxes)

7. Treatment of Priority Non-Tax Claims

PRIORITY NON-TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
NONE				

8. Treatment of Priority Tax Claims¹

PRIORITY TAX CLAIMS

Name of Creditor	Class	Amount Owed	Date of Assessment	Summary of Proposed Treatment
PA Department of Revenue POC No. 1	12	\$622.82		The priority creditors will be paid over five (5) years with 6% post confirmation interest.
TOTAL		\$622.82		

¹ Include dates when any §507(a)(7) taxes were assessed.

9. Treatment of General Unsecured Non-Tax Claims

GENERAL UNSECURED NON-TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
Duquesne Light	15	\$133.32	100%
Penn National Insurance	15	\$716.00	100%
Point Breeze Veterinary Clinic	15	\$223.49	100%
Straka & McQuone Inc.	15	\$590.00	100%
Peoples Natural Gas Company	15	\$ 52.18	100%
Pittsburgh Water & Sewage	15	\$ 68.94	100%
TOTAL		\$1,783.93	

10. Treatment of General Unsecured Tax Claims

GENERAL UNSECURED TAX CLAIMS

Creditor	Class	Total Amount Owed	Percent of Dividend
PA Department of Revenue	15	\$68.94	100%
TOTAL		\$68.94	

11. Will periodic payments be made to unsecured creditors?

Yes X No First payment to begin December 2018

If so:

Amount of each payment (aggregate to all unsecured claimants) \$370.58

Estimated date of first payment: 12/01/18

Time period between payments: 1 year

Estimated date of last payment: 12/01/22

Contingencies, if any:

State source of funds for planned payments, including funds necessary for capital replacement, repairs, or improvements:

The Debtor will continue to rent the real estate he retains and will continue to operate F.M. Machi Construction. The Debtor will also continue to sell real estate as a real estate agent. The Debtor will use all combined income to fund his plan of reorganization.

Other significant features of the plan:

The Debtor will sell 5164 Butler Street, Pittsburgh, PA 15201 and after paying any secured liens, pay Class 1 Administrative Claims, and if proceeds are left over the payments to Class 11 Secured and Priority tax claims, then the Class 12 real estate tax claims, then to Class 14 unsecured creditors and any remaining proceeds to be returned to the Debtor.

Include any other information necessary to explain this plan:

V. Comparison of Plan with Chapter 7 Liquidation

If debtor's proposed plan is not confirmed, the potential alternatives would include proposal of a different plan, dismissal of the case or conversion of the case to Chapter 7. If this case is converted to Chapter 7, a trustee will be appointed to liquidate the debtor's non-exempt assets. In this event, all secured claims and priority claims, including all expenses of administration, must be paid in full before any distribution is made to unsecured claimants.

Total value of Chapter 7 estate (See Section III)	\$703,552.93
1. Less secured claims (See Section II A)	\$260,155.70
2. Less administrative claims (See Section IV-5-6 and include approximate Chapter 7 expenses)	\$ 5,000.00
3. Less other priority claims (See Section II B)	\$ 622.82
Total Amount Available for Distribution to Unsecured Creditors	\$437,774.40
Divided by total allowable unsecured claims of (See Section II C)	\$ 1,852.87
Percentage of Dividend to Unsecured Creditors:	100%

Will the creditors fare better under the plan than they would in a Chapter 7 liquidation?

Yes x No

Explain: Creditor to receive 100% under Chapter 11 Plan. Additional administrative costs in a Chapter 7 would diminish surplus to Debtor.

VI. Feasibility

- A. Attach Income Statement for Prior 12 Months.
- B. Attach Cash Flow Statement for Prior 12 Months.
- C. Attach Cash Flow Projections for Next 12 Months.

Estimated amount to be paid on effective date of plan, including administrative expenses.

\$ _____

Show how this amount was calculated.

\$135,766.20	Administrative Class
\$ 622.82	Taxes
\$ 1,852.87	Unsecured Creditors
\$ 325.00	UST Fees
<u>\$132,965.50</u>	TOTAL

What assumptions are made to justify the increase in cash available for the funding of the plan?

Sale of the Butler Street property

Will funds be available in the full amount for administrative expenses on the effective date of the plan? From what source? If not available, why not and when will payments be made?

Sale of the Butler Street property

Cash on hand \$ 75,182.93 (Current). Attach current bank statement.

Cash on hand \$ 5,000.00 (Estimated amount available on date of confirmation)

Sale of the Butler Street property (estimate net of \$150,000.00)

If this amount is less than the amount necessary at confirmation, how will debtor make up the shortfall?

An additional remaining property will be sold if necessary.

VII. Management Salaries

MANAGEMENT SALARIES

Position/Name of Person Holding Position	Salary at Time of Filing	Proposed Salary (Post-Confirmation)
NONE		

VIII. Identify the Effect on Plan Payments and Specify Each of the Following:

1. What, if any, litigation is pending?

None

2. What, if any, litigation is proposed or contemplated?

(A) Objection to claim(s), if any.

(B) Actions to determine secured status.

(C) Chapter 5 actions, if any.

(D) Action to enforce the Plan.

(E) The post-confirmation Debtor shall be entitled to all defenses, rights and counterclaims against any creditor in establishing an allowed claim, arrearages, or any amount due.

IX. Additional Information and Comments

X. Certification

The undersigned hereby certifies that the information herein is true and correct to the best of my knowledge and belief formed after reasonable inquiry.

If Debtor is a corporation, attach a copy of corporate resolution authorizing the filing of this Disclosure Statement and Plan.

If Debtor is a general partnership, attach a copy of the consent agreement of all general partners to the filing of the bankruptcy.

Date: September 11, 2017

By: /s/ Jeffrey J. Sikirica
Jeffrey J. Sikirica, Esquire, PA I.D. #36745

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HISTORIC SUMMARY

[illegible]

PROJECTED SUMMARY

POST PETITION PERIODS	MONTH ONE	MONTH TWO	MONTH THREE	MONTH FOUR	MONTH FIVE	MONTH SIX	MONTH SEVEN	MONTH EIGHT	MONTH NINE	MONTH TEN	MONTH ELEVEN	MONTH TWELVE
4. TOTAL PROJECTED CASH FLOW FROM OPERATIONS:	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475	\$8,475
5. LESS TOTAL PROJECTED DISBURSEMENTS EXCLUDING PMTS TO CREDITORS IN A PLAN:	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850	\$5,850
6. ANTICIPATED CASH FLOW AVAILABLE FOR PLAN:	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625
DEFINITIONS												
TOTAL PROJECTED CASH FLOW FROM OPERATIONS:	TOTAL AMOUNT OF PROJECTED FUNDS COLLECTED IN A SPECIFIC PERIOD FROM CASH SALES, COLLECTION OF ACCOUNTS RECEIVABLE, AND OTHER INCOME, EXCLUDING LOANS PROCEEDS, CASH CONTRIBUTIONS FROM INSIDERS, AND SALES TAXES COLLECTED.											
TOTAL DISBURSEMENTS EXCLUDING PAYMENTS TO CREDITORS IN A PLAN:	TOTAL PROJECTED DISBURSEMENTS IN A SPECIFIC PERIOD FOR PRODUCTION COSTS, GENERAL AND ADMINISTRATIVE COSTS, EXCLUDING PAYMENTS TO CREDITORS TO BE PAID UNDER THE TERMS OF THE PROPOSED PLAN.											

PLAN FEASIBILITY

POST PETITION PERIODS	MONTH ONE	MONTH TWO	MONTH THREE	MONTH FOUR	MONTH FIVE	MONTH SIX	MONTH SEVEN	MONTH EIGHT	MONTH NINE	MONTH TEN	MONTH ELEVEN	MONTH TWELVE
ANTICIPATED RECEIPTS AVAILABLE FOR PLAN (SEE LINE 6, ABOVE):	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625	\$2,625
LESS PROPOSED PLAN PAYMENTS (SEE SECTION IV):	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,570	\$1,921
OVERAGE/(SHORTAGE)OF CASH FLOW AVAILABLE TO FUND PLAN:	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$1,055	\$ 704

Mortgages - \$1,085 per month
 Secured/Priority Tax Claims - \$ 485 per month
 Unsecured - \$ 351 per year

Administrative by sale of 5164 Butler Street

In re Francis M. Machi, Jr. Case No. 14-23154-CMB
Debtor

SCHEDULE C - PROPERTY CLAIMED AS EXEMPT - AMENDED

Debtor claims the exemptions to which debtor is entitled under: (Check one box)
☒ 11 U.S.C. § 522(b)(2) ☐ Check if debtor claims a homestead exemption that exceeds \$155,675. (Amount subject to adjustment on 4/1/16, and every three years thereafter with respect to cases commenced on or after the date of adjustment.)
☐ 11 U.S.C. § 522(b)(3)

Description of Property	Specify Law Providing Each Exemption	Value of Claimed Exemption	Current Value of Property Without Deducting Exemption
<u>Real Property</u>			
4735 Liberty Avenue Pittsburgh, PA	11 U.S.C. § 522(d)(1)	22,975.00	175,000.00
<u>Cash on Hand</u>			
Cash In Debtor's possession	11 U.S.C. § 522(d)(5)	20.00	20.00
<u>Checking, Savings, or Other Financial Accounts, Certificates of Deposit</u>			
Checking account PNC Bank #7895	11 U.S.C. § 522(d)(5)	100.00	100.00
<u>Household Goods and Furnishings</u>			
Miscellaneous household furnishings; television and electronics; kitchenware, utensils, and appliances; no single item valued above \$575 Location: 3823 Mintwood Street, Pittsburgh PA 15201	11 U.S.C. § 522(d)(3)	1,000.00	1,000.00
Miscellaneous tools Location: 3823 Mintwood Street, Pittsburgh PA 15201	11 U.S.C. § 522(d)(3)	1,000.00	1,000.00
<u>Books, Pictures and Other Art Objects; Collectibles</u>			
Various reading materials, decorative items and wall hangings; no single item valued over at \$575 Location: 3823 Mintwood Street, Pittsburgh PA 15201	11 U.S.C. § 522(d)(3)	1,000.00	1,000.00
<u>Wearing Apparel</u>			
Personal clothing Location: 3823 Mintwood Street, Pittsburgh PA 15201	11 U.S.C. § 522(d)(3)	250.00	250.00
<u>Automobiles, Trucks, Trailers, and Other Vehicles</u>			
2004 Mercedes Benz E 320 Approx. 74,000 miles	11 U.S.C. § 522(d)(2)	3,675.00	8,783.00
1994 Harley Davidson Sportster 1200 Approx. 35,000 miles	11 U.S.C. § 522(d)(5)	1,105.00	2,500.00

Total: **31,125.00** **189,653.00**

0 continuation sheets attached to Schedule of Property Claimed as Exempt



Rabobank

Rabobank, N.A.
P.O. Box 6010
Santa Maria, CA 93456

Mr. Jeffrey J. Sikirica
121 Northbrook Drive Fine Township
Gibsonia, PA 15044

Interim Statement Start:
Interim Statement End:

September 01, 2017
September 10, 2017
Page 1 of 1

Case Number:

14-23154

Case Name:

MACHI, FRANCIS DEBTOR

Trustee Number:

[REDACTED]

Trustee Name:

Mr. Jeffrey J. Sikirica TRUSTEE

Questions:
(800) 634-7734, ext. 8
bmsbankingcenter@bms7.com
www.bms7.com

Account number	[REDACTED]	Beginning balance	\$141,802.93
		Total additions	\$0.00
		Total subtractions	\$0.00
		Ending balance	\$141,802.93

Transaction Details

<u>Date</u>	<u>Description</u>	<u>Debits</u>	<u>Credits</u>	<u>Balance</u>
<hr/>				
Total				

Checks Paid in Numerical Order

<u>Check No.</u>	<u>Check Date</u>	<u>Check Amount</u>
<hr/>		
Total Checks Paid:		<hr/>
